THE ELUSIVE QUEST FOR STABILITY IN US-CHINA RELATIONS

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Tensions between the United States and China are rapidly escalating; and with a bipartisan consensus emerging in Washington that Beijing’s expansionist agenda needs to be checked, it is likely that the confrontational undertone in bilateral relations will remain. No country will remain unscathed when two of the world’s largest nuclear armed countries engage in unabated competition in a globalised world. This paper traces the evolution of US-China relations to identify the underlying dynamics which determine the course of their bilateral relations.

Over the years, both sides have developed a pragmatic awareness of the bilateral issues which have plagued their relationship and have even tried to address them. However, fundamental differences and disagreement continue to persist due to the inherent instability in bilateral ties. The paper begins by outlining the historic origins of their bilateral relations which reveals the long history of interactions both countries share, dating back to the early 18th century. This is followed by an inquiry into the nature of relations during the Cold War years and how the establishment of Communist China changed the course of bilateral relations forever. It assesses the superficial nature of rapprochement during the “honeymoon” phase in bilateral relations and reveals that both countries only came together over convergence in their strategic motives—that is, to counter the Soviet Union. By analysing the

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The United States and China share a wide-ranging, pragmatic, often mutually beneficial relationship which is a result of interactions which date back to before the establishment of Communist China in 1949. In the domestic and international context in which the Shanghai Communiqué was signed, the paper shows how it fails to provide a durable foundation for bilateral relations. In the post-Cold War period, the fundamental rationale for bilateral relations changed in response to the changed balance of power equations at the international level. Based on the analysis of the evolution of bilateral ties, the paper concludes that their bilateral relationship can be characterised as an “elusive search for a common strategic purpose to temporarily overcome fundamental differences in the absence of a solid foundation.” It shows how, due to the lack of a common framework—bilateral relations have depended heavily on shared perceptions of a common enemy, first the Soviet Union, then terrorism—and in the absence of such an enemy, relations have spiralled downwards.

HISTORICAL AND CULTURAL CONTEXT
The United States and China share a wide-ranging, pragmatic, often mutually beneficial relationship which is a result of interactions which date back to before the establishment of Communist China in 1949. Historical records show the first American commercial vessel engaged directly in trade with China. Empress of China arrived in Guangzhou in August 1784.\(^1\) China had already been trading with a range of Western European nations from roughly 1700 and instituted the Canton-Macao system in 1760 to control European trade in China. The essence of the system was hierarchical subordination of Europeans to the Qing dynasty which maintained no direct contact with the foreigners but preferred to give orders via licensed Chinese monopolists (collectively called Cohong) and imperial Chinese officials. The Americans joined this system in 1784 but were able to reap benefits only after the

dissolution of the British East India company in 1834—which ended the Anglo-Chinese guild which had come up to prevent entry of newer English and American private traders.

The Canton system ended with the signing of the Treaty of Nanking which marked China’s defeat to the British in the Opium Wars. Under the terms of the treaty, British merchants were permitted to carry out unrestricted trade at Quangchow, Amoy, Fuchow, Ningpo, and Shanghai ports, instead of just Canton. British subjects were also granted residency right to carry out their mercantile pursuits. The British supplementary Treaty of Bogue signed in 1843 granted Britain unconditional Most Favoured Nation (MFN) status, which meant that Britain would be granted any privileges being extended to any other foreign countries. Following this, American merchants also demanded that they be put on “the same footing as the merchants of the nation most favoured.”  

The Treaty of Wangxia, the first agreement between the United States of America and the Qing Empire—signed in 1844—achieved this as America acquired many of the favourable terms awarded to the British, including the MFN status. The five treaty ports were opened to American citizens who could reside and trade from there and extraterritoriality for US citizens was assured. In modern Chinese discourse, these treaties are referred to as *bupingdeng tiaoyue*, or “the unequal treaties”, by portraying them as unfairly disadvantageous to the Chinese at the expense of the ‘foreigners’.  

A closer investigation into such a narrative reveals that it is intricately linked to the CCP’s efforts to evoke nationalism, achieved by constructing the West as the imperial enemy. It fails to capture the fact that America’s

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4. Ibid.
relations with China were not one-sided. In 1868, China and the United States signed the Burlingame-Seward Treaty which removed many restrictions on Chinese migrants entering the United States while also guaranteeing that America would not interfere in China’s internal affairs. Between 1852 and 1888, roughly 300,000 Chinese entered the United States “in an attempt to flee political instability or in search for economic opportunities.”

Grounded in mutual respect, this treaty undoubtedly represented a high point in bilateral relations which was soon marred by the racial hostility faced by the Chinese in America. The state and national governments in America legally institutionalized this discrimination by passing Chinese exclusion laws, such as the Chinese Exclusion Act of 1882, which restricted the legal rights of Chinese residents in America.

Until 1899, it was the treaty system which dictated America’s relations with China. It was when only Japan defeated China in 1895, and multiple powers started claiming dominance in China, that America articulated an official “open door” policy to govern relations with China. Through this policy, America officially formalised the MFN principle—there would be no discrimination against foreign trade and investment—while assuring China’s territorial integrity is not compromised. The signing of the nine-power treaty at the Washington Naval Conference in 1922 marked the “internationalisation of the U.S. Open door policy.” Subsequently when Japan tried to expand its empire against the MFN principle, the US condemned this occupation and did not recognise any agreement between the Japanese and the Chinese which violated US interests in the region. The Lytton commission set up by

the League of Nations—which included an unofficial US delegate—in the aftermath of the Japanese attack on Manchuria—divided the blame for the conflict equally between Chinese nationalism and Japanese militarism, but did not recognise the new state of Manchukuo, resulting in the Japanese walking out of the League.\(^9\)

During the inter-war years, domestically China was divided in a power struggle between the Nationalist Party and Chinese Communist Party. Following the Wuchang uprising, the Qing dynasty was overthrown by the National People’s Party, or the Kuomintang (KMT), which officially established the Republic of China. The US was the first nation to formally recognise the Nationalist Government in 1928 by signing an agreement with the KMT government granting it full tariff autonomy.\(^10\) Washington even extended financial aid and assistance to the Nationalist government’s rural reconstruction efforts, and provided a $25 million credit to the Nationalist regime to purchase military supplies, which in 1940 was extended to $100 million.\(^11\) Interestingly, Washington even made official contact with the communists through the Dixie Mission—a group of US liaison officers—who arrived at communist base camp at Yanan in 1944 to “to explore the most effective means of assisting the Communists to increase the value of their war effort”.\(^12\) The communist leaders welcomed the mission and were particularly fascinated by the state-of-the-art-demolition supplies they had and were eager to obtain them, but arming the communists was beyond the scope of the mission. Nevertheless US military experts in the mission did teach them new guerilla warfare techniques.

**COLD WAR AND THE ESTABLISHMENT OF PEOPLE’S REPUBLIC OF CHINA**

Many in the US State Department Office of Chinese Affairs, serving ambassadors in China and even Joseph W. Stilwell, who led the US

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mission China in World War II, had warned against supporting the corrupt nationalist government. During World War II, American policy aimed to make China domestically and economically stable and convert it into a suitable ally in the region. Policymakers felt that the unification of Chinese military forces and a single coalition of the Nationalists and Communist forces would stabilise China. To accomplish this, President Truman sent General George Marshall to “negotiate a cease fire agreement and form a united national government.”13 Due to the failure of General Marshall’s mediation, President Truman decided to send General Wedmeyer—a supporter of the Nationalist government—to reformulate American policy. On his recommendation, the US government extended aid to the Nationalist government—made possible through the provisions of the China Aid Act of 1948—which was designed to “encourage the Republic of China in its efforts to maintain the genuine independence and the administrative integrity of China through a program of assistance based on self-help and cooperation.”14 The aid excluded any provisions for direct military aid to the Chinese and was strictly economic aid which would “assist in retarding the current economic deterioration”15 until the Chinese government could ensure more stable economic conditions. Despite massive US aid, the nationalists failed to hold back communist forces and Mao Zedong—the leader of the communist forces—declared the establishment of Communist China on October 1, 1949.

The emergence of communist China as the US was bracing itself to adopt a global anti-communist containment Cold War strategy changed the course of US-China relations forever. The long-cultivated ties of over 150 years were “lost” with the subsequent emergence of the Cold War.16 Domestically, within the US, pressures were mounting over who was responsible for this loss. Sentiments ran high as the China lobby in US was composed of people

15. Ibid.
across the political spectrum—the US public, members of the Congress who saw Chiang Kai-shek as the symbol of American ideals, and felt America was responsible for the Kuomintang’s failure in China. Within the US Congress there was strong opposition to the possible recognition of the communist regime which Senator Knowland described as amounting to a “betrayal of human liberty in that area of the world”. On August 5, 1949—under severe domestic pressure—the Truman administration released a voluminous record, running to over 1,000 pages, detailing Nationalist-Communist relations, reports of the various US missions to China, US economic aid to China to demonstrate that assistance to the nationalist government had been “pursued vigorously” but they had “sank into corruption … reliance on the United States … to preserve own domestic supremacy.” The report also depicted the Chinese communists as “agents of Soviet imperialism” and America as the “traditional friend” of the Chinese people which had done all it could to prevent foreign domination. Even before the publication of the report, there were strong apprehensions within Washington about the possible impact of it—which were confirmed as the report did evoke harsh criticism from all quarters alleging that America “betrayed” the Republic of China.

Mao Zedong’s early optimism that the US and China could continue their wartime cooperation even after the end of World War II prove to be short-lived. Mao was well aware that Communist China would need US economic assistance and support for international recognition—and even offered to come to Washington in 1945, to talk in person with President Roosevelt and establish the terms for a working relationship. He was looking for a cessation of America’s unqualified commitment to Chiang Kai-shek and American pressure on the Nationalist government to admit the communists on

18. Congressional Record, XCV, no. 6 (June 27, 1949), 8406.
20. Ibid.
The first (and only) direct combat between American and Chinese ‘soldiers’ took place during the Korean War which lasted from 1950 to 1953. North Korean forces, on orders from Premier Kim Il-sung, crossed the ceasefire line between North and South Korea on the 38th parallel and successfully pushed South Korean forces down to Pusan in an attempt to unify the country. But with the failure of Marshall’s mediation efforts, nationalists refusing to proposals of a coalition government and Washington’s pro-nationalist position, Mao declared working with “U.S. imperialists” as a “mistake” from the “previous period”. Any possibilities of diplomatic rapprochement were discarded following the publication of the China White papers which Mao denounced as a “counter-revolutionary document which demonstrates US imperialist intervention in China” and launched a nationwide anti-American propaganda campaign which sought to gain public support for his anti-US policies.

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soldiers, China sent thousands of volunteers, and in just two weeks China cleared much of North Korea and isolated MacArthur’s units into three bridgeheads. This brought China and the US to the precipice of war. It was Truman’s pragmatic diplomacy that he denounced MacArthur’s calls to declare a war on China and agreed to a ceasefire on the North Korean peninsula. Chinese historical accounts of the Korean War emphasises how in a defensive war against American aggression, communist China stood up to a technologically superior foe and ‘forced’ them to sign an armistice. However, such a retelling not only falsely implies that the United States attacked China, but also ignores the reality that many nations supported South Korea against North Korea’s abrasive aggression. Although an all-out war in Korea was averted, the possibility of such a war in Taiwan Strait emerged again when Mao started shelling the offshore islands of Quemoy, Matsu and Dachen. The United States had committed itself to Taiwan’s defence under the Sino-American Mutual Defence treaty with Taiwan signed in 1955. In China, these instances in Korea and Taiwan cemented the budding American antagonism and in America confirmed the image of ‘Red China’—an authoritarian closed stated, monolithic in its identity and consumed by a deep-seated anti-Americanism.

ASSESSING SINO-AMERICAN RAPPROCHEMENT

The period from 1971 to 1989 is considered to be the “honeymoon” phase in US-China relationship. Major developments took place during this period, including American recognition of communist China, UN recognition of PRC as the official veto wielding representative, cultural exchanges, exchange of high-level visits, etc.


25. Ibid.
including American recognition of communist China, UN recognition of PRC as the official veto wielding representative, cultural exchanges, exchange of high-level visits, etc. Richard Nixon stunned the nation and the world when he announced, during a live television and radio broadcast, his visit to communist China in 1972. During his visit, Mao and Kissinger signed the Shanghai Communiqué—a historic development, as it marked the end of 23 years of diplomatic isolation and non-recognition.

With the advantage of historical hindsight, it now appears that this visit in fact was not stunning but simply an affirmation of the iron rule of geopolitics—“the enemy of my enemy, is my friend”. The rapprochement played out against the backdrop of peak superpower rivalry, where the Soviet Union was America’s primary enemy. Sino-Soviet relations were at an all-time low, following border clashes between China and the Soviet Union in 1969. Since the mid-1960s deep-seated ideological differences between Mao and Khrushchev began to reveal themselves, and visible cracks were evident in the Sino-Soviet bonhomie. For the US, Chinese anxieties presented itself as a strategic opportunity to pursue normalisation of relations—while pursuing a détente with the Soviets—thereby putting severe pressure on the Kremlin.

Developments within America, specifically the social unrest caused by the debacle in Vietnam, also made it imperative to reorient American foreign policy in Asia. China embraced cooperation with the United States to counter the military and political pressure from the Soviet Union, and to get support for the reform and opening up policies being formulated by Deng Xiaoping. Furthermore, alleviating fears of an imminent US-China war through establishing healthy ties would allow China to focus on its own domestic and economic development—which emerged as a necessity after the ‘Great Leap Forward’ failed to achieve the desired economic results. It is worth noting that Mao’s US policy during this period of rapprochement was dictated by the terms set by his military rather than his diplomats.26 Defying conventional knowledge that Nixon took the first steps towards China, Michael Pillsbury’s analysis shows how Mao had made several overtures

26. Michael Pillsbury, The Hundred-Year Marathon: China’s Secret Strategy to Replace America as the Global Superpower (Griffin, 2016).
to Washington prior to Nixon’s visit. The clearest signal to America that Mao was ready to engage with the United States was when Mao invited well-known American journalist and author, Edgar Snow, and circulated a picture of the two of them for all of China to see.

Rapid progress in ties was visible in the years immediately after the issuance of the Communiqué as trade grew rapidly, exchanges of short-term cultural and academic delegations took place, but strains in the relations became visible from 1976. Here, again, the Soviet consideration came into play. This time it initially deterred rapprochement as the newly elected President Carter feared close ties with China would adversely affect détente with the Soviets, ultimately hampering his primary objective of achieving a new arms control agreement with Moscow. As revealed in his memoir, President Carter understood the need to improve relations with China, but had to do so without “reneging on our commitment to the well-being of Taiwan and without further affecting our already strained relations with Soviet Union.” Nevertheless, Soviet activity in the Third World—beginning with the Horn of Africa in 1977 to Afghanistan in 1979—was seen in Washington as “intervention” which could not be tolerated. The limits of such a “normalisation” was evident in the stagnant diplomatic relations when the United States adopted a harder stance on Taiwan under the Ford administration, causing China to reassess its global strategy.

Kissinger, in his account of the negotiations which led up to the Shanghai Communiqué, wrote, “China and the United States would find a way to come together was inevitable given the necessities of the time. It would have happened sooner or later whatever the leadership in either country.” Playing out against the backdrop of Superpower rivalry, evidently the international context in which normalisation took place had a significant role in determining the pace and manner of bilateral negotiations. The

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27. Ibid.
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clearest exposition of this is found in Zbigniew Brzezinski’s own admission as President Carter’s National Security Advisor, who played a pivotal part in formulation of the 1979 Communiqué:30

The Soviet dimension [of China policy] was one of those considerations of which it is sometimes said, “Think of it at all times but speak of it never”. I, for one, thought about it a great deal, even though I knew that publicly one … had to make pious noises to the effect that U.S.-Chinese normalisation had nothing to do with U.S.-Soviet rivalry.

Although the American outreach to China in the 1970s was not intended to be a joint venture against the Soviets but a means of improving relations with both countries, the crisis with détente ultimately led to a different kind of relationship being forged between Beijing and Washington. Mao’s primary motivation in forming a united front with the US, Japan, Pakistan, Iran, Turkey and Europe was to counter Soviet influence. Therefore, when the Soviet factor rescinded, Mao shifted to a ‘three world strategy’ where both the United States and the Soviet Union were declared as enemies, and he called on the Third World countries to form a united front against both powers.

The strategic convergence over the “Soviet threat” could only last so long and the “honeymoon” phase in bilateral relations ended. The ascendancy of Ronald Reagan reopened the Taiwan issue, revealing that despite “normalisation” this main irritant in bilateral relations was never adequately addressed. Reagan was one of the most fervent supporters of Taiwan in American politics, and had even opposed the normalisation of relations. During his tenure as President he explored options to restore officiality to American ties with Taipei, which the Chinese refused to tolerate. Deng demanded more restrictive guidelines on supply of American weapons to Taiwan and a pledge from Washington not to exceed the level of arms sale to Taiwan carried out under the Carter administration. After arduous negotiations, both sides reached an agreement in 1982 where the question

of arms sale was “not settled” but America agreed to “reduce gradually its sales of arms to Taiwan”, while Beijing stood its ground on the question of Taiwan being “China’s internal affair”.

END OF COLD WAR AND THE QUEST FOR A NEW RATIONALE FOR BILATERAL RELATIONS

A new rationale did emerge in the form of mutual economic interests as China offered the world’s largest market for overseas investment; while America provided much needed technology and financial and investment capital to Beijing. China’s rapid economic and political change triggered hopes in America that reforms would bring it closer to American ideals of democracy, private ownership and free markets; however, liberalisation remained limited and state controlled. Meanwhile, in China every time liberalisation faltered, attacks on bourgeois democracy and racism in the United States appeared in CCP-controlled newspapers. Economic prospects could temporarily assuage irritants in the bilateral relationship, but divergences over issues such as the Gulf War—particularly the sale of Silkworm anti-ship missiles to Iran which posed a danger to US naval vessels—did make it difficult to manage economic and strategic issues. Washington was also uncomfortable with burgeoning ties between Moscow and Beijing, visible in the Deng-Gorbachev summit in May 1989. Ultimately, the collapse of the Soviet Union removed altogether the mutual interests that were holding the two countries together.

Nevertheless, American President, George W. Bush, was determined not to let Sino-American relations slip back to the pre-normalisation period due to the Tiananmen Square incident, and sent National Security Advisor, General Brent Scowcroft, and Deputy Secretary of State, Lawrence Eagleburger, on a secret trip to Beijing to engage with Deng Xiaoping directly. Publicly, Bush kept up the rhetoric that the United States could not have totally normal relations with China until Chinese

The elusive Quest for Stability in US-China Relations

China sought to deepen ties with other countries around the world, especially in Asia and the Middle East. Motivated by its “hide your strength, bide you time” strategy, China adopted a largely non-obstructive posture in the international arena which reaped benefits in the form of removal of sanctions.

authorities “recognise the validity” of the protest movements but made it clear that he wanted to “preserve” what he saw as a relationship which was “fundamentally important” to the US.33 To achieve this, he used his executive powers to dilute the practical effect of the sanctions, and persuaded Congress to provide him flexibility in implementing the sanctions.

Despite Bush’s attempt to diffuse the ideological dimension of the debate on US-China relations triggered by the incident, any Western criticism of Beijing’s human rights record was seen by China as an attempt to conduct “ideological warfare” during the post-Cold War era.34 Senior party leaders saw the United States’ “excessive involvement” in Tiananmen as confirming that the United States had not abandoned its “pernicious objective of undermining socialism and converting China to capitalism” through attempts to conduct peaceful evolution against China. Deng squarely blamed Washington for the current stalemate in relations and placed responsibility on them to “untie” the knot. Meanwhile, China sought to deepen ties with other countries around the world, especially in Asia and the Middle East. Motivated by its “hide your strength, bide you time” strategy, China adopted a largely non-obstructive posture in the international arena which reaped benefits in the form of removal of sanctions.

The Tiananmen Square incident completely altered the trajectory US-China relations had followed until then. Before the massacre, strategic realism together with a favourable American attitude toward China took

precedence over ideological differences. Now, with domestic public opinion against China and increased focus on human rights under the Clinton administration, ideological differences began to resurface.

Domestically China was embroiled in a succession struggle over the question of post-Deng Chinese leadership—Deng formally retired in November 1989, but continued to control internal affairs. Despite factional struggle, the Chinese leadership put up a front of unity and stability. The fourth plenum of the 13th Central Committee of the Chinese Communist Party (CCP) reiterated commitment to the policies of reform; opening to the outside world “will continue to be steadfastly carried out as before” and China will continue to follow an independent, self-reliant and peaceful foreign policy. This was motivated by a sense of insecurity among the Chinese leaders that they would be the next targets of the West’s “peaceful evolution” strategy which directly threatens the CCP’s existence. However, unlike the past, this time China did not adopt an overtly revolutionary ideological struggle against the West, but rather insisted on the continued need to maintain a peaceful international environment for its economic modernisation. There was also an underlying belief that the US would not be able to play a significant role in the Asia-Pacific region and would face domestic problems in the aftermath of the end of the Cold War. China made a few changes in its foreign policy approaches to adapt to the changed international situation. It focused on developing good relations with neighbouring countries and successfully restored diplomatic relations with Indonesia and Singapore—after 23 years—followed by Israel and South Korea.

35. Ibid.
36. For the text of the communiqué, see *Beijing Review*, vol. 32, no. 27, July 3-9, 1989, pp. 9-10.
CHINA’S RISE IN THE 21ST CENTURY AND ITS IMPLICATIONS FOR US-CHINA RELATIONS

There is little doubt that one of the defining features of the 21st century has been China’s rise as a dominant economic force not only in Asia, but the world. This has both aided and complicated relations with the United States. China’s accession to the WTO stands out as an important event in Sino-US relations as it marked the completion of 15 years of lengthy negotiations between the two countries. The underlying belief in America was that Chinese entry into the WTO would fully integrate Beijing into the international system, and serve as a check on China’s communist government while speeding its transition to a liberal market economy. China made serious concessions reflecting the fact that it was required to make protocol commitments which substantially exceeded those made by any other member of the WTO, including those that had joined since 1995. The Chinese decision to ignore these short-terms costs was based on the leadership’s assessment of the long-term benefits that would accrue. Firstly, it would help improve China’s international image which had been seriously affected by the Tiananmen Square incident. Moreover, the main focus in China at this stage was on enhancing comprehensive national power, which was crucial for stability at home and for regime survival and required integration into the global economy. Given America’s pre-eminent position in the global economy immediately in the post-Cold War period, non-confrontational relations with the US was a prerequisite for global integration. However, the motivation behind global interdependence must not be overestimated since Beijing viewed it as a means to advance state interests, which ultimately was centred on competing values of sovereignty and independence.38 By the end of 2003, US-China trade was approaching $200 billion while American firms had invested around $45 billion in China.39

All was not well on the other fronts of their bilateral relations. Incidents such as the Chinese detention of a damaged US reconnaissance plane as it collided with a Chinese jet, and President George W. Bush’s somewhat tougher stance on the Taiwan question, did dampen overall relations.

The “war on terror” campaign ushered a positive upswing in relations. After the 9/11 attacks, Chinese Premier Jiang Zemin condemned the terrorists and even promised to cooperate with the United States to combat terrorism. Under the umbrella of an anti-terrorism agenda, both countries cooperated in bringing North Korea to the Six Part Talks, and on issues of nuclear proliferation. Indeed—in the words of President Bush—“in this moment of opportunity, a common danger is erasing old rivalries.” The United States sought to secure Chinese cooperation in the United Nations for its efforts, while China saw this as an opportunity to boost its international credentials as a responsible stakeholder. However, Chinese actions did not match its symbolic commitment towards the fight against terrorism. Chinese support for Western counterterrorism activities was made contingent on Washington acknowledging Uighur political activists as terrorists, while not compromising on its own activities of weapons proliferation to countries like Pakistan, despite its links with several terrorist groups.

Despite “war on terror” receding to the background, limited cooperation continued on issues such as climate change, environmental issues, non-proliferation, etc. Nevertheless, economic friction over China’s unfair trade practices soon took centre stage. Bush administration responded to China’s clear violation of its IPR protection policies by filing a case in the WTO. It further imposed countervailing duties against subsidised Chinese goods to oppose its subsidy programmes and market access barriers which violated WTO regulations. Taiwan re-emerged as the central security issue more prominently during President Bush’s second term. In America—within the Bush administration—there were contrary opinions on how to deal with

China’s military and economic expansion in Asia. There were some who saw China’s modernisation efforts as attempts to dominate Asia and, in turn, undermine US leadership in the region.\textsuperscript{42} Then there was the view—chiefly propagated by US Deputy Secretary of State, Robert Zoellick—that China’s regional and international prominence called for greater US cooperation to broaden US interests in Asia specifically.\textsuperscript{43} The National Security Strategy of 2006 reflects an attempt to accommodate both positions wherein it states,

> China encapsulated Asia’s dramatic economic successes, but China’s transition remains incomplete ... China’s leaders ... walk the transformative path of peaceful development. If China keeps this commitment, the United States will welcome the emergence of a China that is peaceful and prosperous ... Our strategy seeks to encourage China to make the right strategic choices for its people, while we hedge against other possibilities.\textsuperscript{44}

Nevertheless, Hu Jintao focused on sustaining a constructive relationship with the US to reap full benefits of the “strategic opportunity” in international affairs seen as advantageous to Chinese national interests. A constructive relationship would give China greater leverage to pre-empt US action that could perhaps be detrimental to Chinese interests. But bilateral economic problems reached their zenith post the 2008 financial crisis. Referring to the “deeply imbalanced” trade relations, President Obama—speaking in 2009—warned that if problems were not addressed it would put “enormous strains” on the relationship.\textsuperscript{45} The long-term implication of the crisis was the debate it generated about the viability of America’s economic model.


China’s emergence relatively unscathed from the global crisis—whereas America suffered a steep economic decline—convinced Chinese officials that they “no longer have to learn from their American counterpart on economic matters.”

Under the Obama administration, the American approach was largely focused on prolonged consultation and dialogue with China on global responsibility, while trying to preserve American interests and influence, which were directly threatened by rising China’s power. But the Chinese narrative had clearly changed to a more assertive, less accommodating posture. In fact, with Chinese action in the South China Sea, North Korea directly challenged the US position. Beijing even threatened to stop “investing in U.S. government securities and to move away from using the US dollar in international transactions.” Publicly, they adopted a much more assertive stance on Tibet and Taiwan. This was a direct expression of Chinese renewed confidence in their credentials as a global power driven by its steady economic growth and strong political clout around the world. However, China was still not prepared to risk serious deterioration in relations with America that could potentially reverse the image of a responsible stakeholder which it had been nurturing over the years. In the period leading up to the visit of President Hu Jintao’s visit to Washington for the US-China summit, China toned down its aggressive posture and harsh rhetoric to pave the way for smooth relations. The summit was fairly successful and their joint statement reflected both areas of convergence and divergence. They called for the denuclearisation of the Korean peninsula and criticised North Korea’s uranium enrichment programme but their persisting differences on the human rights issue came out strongly in the joint statement.

President Obama’s first term was focused on building a positive, cooperative and comprehensive (PCC) relationship with China, so much

so that his administration decoupled China’s human rights issue with their bilateral economic relations. For the first time, America even accepted that “the two sides agreed that respecting each other’s core interests is extremely important to ensure steady progress in U.S.-China relations.”49 Such a conciliatory stance encouraged China to act assertively, which led to a discernible policy adjustment during his second tenure when he faced heavy pressure to “stand up” against China.

Chinese Premier Xi Jinping was one of the strongest proponents of building a “new type of great power relations which would be unprecedented in history and open up the future.”50 This move was at least partially motivated by Chinese desire to get formal endorsement from the US that China was now a great power and that relations should be conducted from a position of equality. It was also a signal to the international community that China was ready to take on more global responsibility in tune with the reality that the global power configurations had changed since the end of the Cold War. The American response to such a proposition was positive, yet cautious, as the Obama administration had reservations about Beijing’s definition of “great power.” President Xi’s enthusiasm was reflected in his statements after his bilateral meeting with President Obama where he spoke of “joint efforts” to build such a model.51 However, President Obama refrained from making any reference to such a model and instead reiterated that while “broad understandings” were laid down, there was “a lot of work” to be done “down to the specifics”.52 Chinese insistence on respect for each other’s “core interests”—which meant that the United States had to remain silent on issues of Taiwan, Tibet and South China Sea—only aggravated Washington’s suspicion of Chinese vested interests. Moreover, America was concerned

49. Ibid.
52. Ibid.
about its Asian allies’ responses to closer US-China relations which could affect US standing in the region. Nevertheless, the US refrained from outright refusal of the concept so as to keep open the possibility to cooperate with Beijing on global issues. Following the election of Donald Trump, Beijing itself shifted away from its G-2 rhetoric and adopted a confrontational tone in its relations with the US. Under the Trump administration, several developments took place which brought US-China relations to one of their lowest points since rapprochement. From trade wars to a blame game over the origins of the COVID-19 virus, relations only went from bad to worse. With a bipartisan consensus evolving in Washington that China’s expansionist agenda needs to be checked, it is likely that the confrontational undertone in relations is here to stay.

CONCLUSION
It is clear that domestic and international context are both crucial to understand the constantly changing dynamics of Sino-US relations. This brief history of Sino-US relations reveals, that since the establishment of PRC, they have been strategic competitors locked in a vague relationship with elements of conflict, coexistence and cooperation—variously described as ‘congagement’, ‘coopetition’—which bring out the contradictory dual nature of their relationship. Their relationship can be characterised as *the elusive search for a common strategic purpose to temporarily overcome fundamental differences in the absence of a solid foundation*. For example, during the Cold War, they knew what they were against (the Soviet Union)—as their strategic interests in combating a common enemy aligned—however, they did not

know what they stood for. Therefore, the disintegration of the Soviet Union and the resultant end of the Cold War suddenly left little strategic rationale for both countries to overcome ideological differences and cooperate with each other. In fact, with the end of the Cold War and the spread of democratisation, international human rights gained renewed attention in foreign policy and proved to be a bone of contention between the US and China. While a new rationale did emerge in the 1990s—in the form of mutual economic interests—it failed to provide a durable foundation for what was being touted as a “constructive strategic partnership”. Old problems persisted and new problems emerged which continually disrupted stability in relations.

This raises the question—how effective was the “normalisation process” initiated by Richard Nixon? The Shanghai Communiqué has become synonymous with the normalisation process, as it was the first concerted effort to conduct an “active dialogue” and “seek common ground” or at least “deconflicted policies”. Although it did establish the fundamental principles which came to guide future relations and have been enriched and distilled in the course of the long history of interaction between the two countries, the inherent ambiguity in its terms has adversely affected relations. Undoubtedly, though the three US-China Communiqués are historic in terms of relatively stabilising a highly fluctuating relationship, they have failed to serve the purpose of creating a framework for a fundamental solution to perennial problems. At the core of their problems lies the fundamental differences both countries have in their respective world views about the structure and nature of international relations and security—which makes cooperation difficult, albeit not impossible. The communiqués reflected the reality of their time—a common strategic motive that made cooperation possible—but did not represent a change in either Chinese or American perception of each other. China’s participation in the strategic triangle consisting of US-Soviet-PRC was its own relative weakness via-à-vis both the Superpowers, and it

shifted sides according to its own strategic calculus. In the post-Cold War period, this scenario changed as Beijing acquired economic muscle and the international community could not help but take note of China’s development miracle. Although there were hopes in America that reform would transition China into a democratic country, the Tiananmen Square massacre of June 1989 rekindled latent Cold War images of China and confirmed its essentially undemocratic character. This in turn triggered debates in America—was China the next strategic threat or a market bonanza? George W. Bush tried to reconcile this by arguing that there was a “moral” basis to remaining economically engaged with China—that is, to “export the ideas of freedom and democracy.”

Chinese perceptions of America are multifaceted and layered, but one of the fundamental factors governing this perception is the role of nationalistic historical beliefs that have in turn shaped the structure of Chinese national identity. China’s “century of humiliation” remains central in shaping Chinese nationalism which continues to influence Chinese perceptions of America as a threat. There is a sense in China that America continues to belittle China’s accomplishments and thwart its international reputation and influence, and is out to “contain” its rise. Due to this mutual suspicion, although there has been constructive and cooperative engagement on various issues, it has more often than not been supplemented by contingency planning or hedging.

Sino-American relations can be described as a form of an anti-systemic alliance, that is, essentially it was negative, dependent on common perceptions of the enemy without any common framework. Inevitably, when perceptions

of the enemy begin to diverge, the alliance collapses.\textsuperscript{58} Therefore, when the Soviet Union collapsed, the relationship collapsed. The War on Terror prove to be a temporary stabiliser in relations but could not prove to be a long-term foundation for relations, given its fading importance in US domestic and foreign policy circles itself. Since then, sudden deteriorations and rapid recoveries have become a norm in bilateral relations\textsuperscript{59} which only affirm the two countries’ efforts to find a stable equilibrium, which has largely failed. The recent downward spiral in relations therefore follows the historical trajectory of US-China relations—however, what makes this phase different is the rise of exclusive, nationalist sentiments in both societies due to which US-China relations are increasingly being seen in terms of a zero-sum competition which is shrinking the space for rapid recoveries.

\textsuperscript{58} The argument is a variation of Westad’s argument of Sino-Soviet relationship being an anti-systemic alliance, as presented in Odd Arne Westad (ed.), \textit{Brothers in Arms: The Rise and Fall of the Sino-Soviet Alliance 1945-1963} (Washington DC: Woodrow Wilson Center Press, 1998).